

## Message Text

PAGE 01 QUITO 08766 201350Z  
ACTION ARA-10

INFO OCT-01 ISO-00 SS-15 SP-02 L-03 CIAE-00 INR-07 NSAE-00  
NSC-05 AID-05 EB-07 IGA-02 COME-00 OMB-01 TRSE-00  
/058 W

----- 067067 /44

R 171244Z DEC 76  
FM AMEMBASSY QUITO  
TO SECSTATE WASHDC 2555  
INFO AMCONSUL GUAYAQUIL

C O N F I D E N T I A L QUITO 8766

E.O. 11652: GDS  
TAGS: PFOR, EAID, ECON, EC  
SUBJECT: CONSULTATIVE GROUP PROPOSAL

REF: STATE 301074

1. GOE FINANCE MINISTER, SANTIAGO SEVILLA, CONFIRMED TO EMBASSY'S E/C COUNSELOR DECEMBER 15 THAT GOE WISHES TO SUSPEND ACTION ON ITS CONSULTATIVE GROUP PROPOSAL. MINISTER SAID HE BELIEVES ESTABLISHMENT OF CONSULTATIVE GROUP SHOULD BE DELAYED UNTIL GOE HAS SUCCEEDED IN RESOLVING SEVERAL CURRENT ISSUES INVOLVING FOREIGN INVESTORS IN ECUADOR, SUCH AS THE GULF AND ADA ISSUES. HE INDICATED CONCERN THAT, ABSENT A MUTUALLY SATISFACTORY SETTLEMENT OF THESE ISSUES, THE CONSULTATIVE GROUP WOULD MERELY AND MAINLY SERVE AS A CHANNEL THROUGH WHICH THE HOME GOVERNMENTS OF THE INVOLVED INVESTORS WOULD APPLY PRESSURES ON THE GOE.

2. SEVILLA SAID HE ATTACHES HIGHEST PRIORITY TO SETTLING PROMPTLY AND FAIRLY THE GULF AND ADA ISSUES, AS WELL AS SOME OTHERS NOT INVOLVING U.S. FIRMS. WITHOUT MINIMIZING THE DIFFICULTIES INVOLVED IN ACHIEVING SETTLEMENT OF THESE ISSUES, HE REGARDS SETTLEMENTS AS BEING A PREREQUISITE FOR EFFORTS BY THE GOE TO ATTRACT SUBSTANTIALLY GREATER FOREIGN INVESTMENT INTO CONFIDENTIAL

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ECUADOR.

3. SEVILLA STRESSED THAT THE REQUESTED DELAY IN ACTION ON FORMATION OF THE CONSULTATIVE GROUP SHOULD NOT BE CONSTRUED AS A LACK OR LOSS OF INTEREST ON THE PART OF THE GOE IN THIS PROPOSAL. HE AFFIRMED THAT ECUADOR VERY MUCH NEEDS AND WOULD BENEFIT FROM THE CONSULTATIVE GROUP, AND THAT HE WOULD RESUME PRESSING FOR ESTABLISHMENT OF IT AS SOON AS HE FELT THAT CURRENT INVESTMENT ISSUES HAD BEEN RESOLVED ENOUGH SO THAT

THEY WOULD NOT LOOM LARGE ON THE INITIAL AGENDA OF THE  
CONSULTATIVE GROUP.  
BLOOMFIELD

CONFIDENTIAL

<< END OF DOCUMENT >>

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 16 SEP 1999  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN INVESTMENT, PFOR, CONSULTANTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976QUITO08766  
**Document Source:** ADS  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** 11652 GDS  
**Errors:** n/a  
**Film Number:** D760464-1135  
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**Office:** ACTION ARA  
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**Original Handling Restrictions:** n/a  
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**Page Count:** 2  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 15 JUL 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <15 JUL 2004 by ShawDG>; APPROVED <25 OCT 2004 by CunninFX>  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CONSULTATIVE GROUP PROPOSAL  
**TAGS:** EAID, ECON, PFOR, EC  
**To:** STATE INFO GUAYAQUIL  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006